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May 11, 2007

The U.S. Securities and Exchange Commission
450 Fifth Street N.W., Room 3011
Office of International Corporate Finance, Mail Stop 3-2
Washington, DC 20549
UNITED STATES OF AMERICA

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OFFICE OF INTERNATIONAL
CORPORATE FINANCE

SUPPL

Attention: International Corporate Finance Office

Re: Information Filing to the Stock Exchange of Thailand of Advanced Info Service Public Company Limited

TO WHOM IT MAY CONCERN

Pursuant to Rule 12g3-2(b)(1)(iii) and on behalf of Advanced Info Service Public Company Limited (the "Company")
(File No. 82-3236), the information described below is enclosed for your attention.

◆ **Stock Exchange of Thailand Filing, AIS-CP 051/2007, AIS-CP 052/2007 and AIS-CP 054/2007**

- Subject:
1. Notification of the Resolutions of Board of Directors' Meeting No. 4/2007;
 2. Submission of Reviewed Consolidated and Company Financial Statements for the First Quarter of Year 2007 and Clarification of the differences between net profit for the first quarter of 2007 and the first quarter of 2006 is over 20%;
 3. Report of Financial Covenants Compliance.

Date: May 11, 2007

Attachment: Submission of the Reviewed Financial Statement for Q1/2007
Management's Discussion and Analysis for Q1/2007

The supplement information is provided with respect to the Company's request for exemption under Rule 12g3-2(b), which was established on January 16, 1997.

This information is being furnished with the understanding that such information and documents will not be deemed "filed" with the SEC or otherwise subject to the liabilities of Section 18 of the Securities Exchange Act of 1934 (the "Exchange Act"), and that neither this letter nor the furnishing of such documents and information shall constitute an admission for any purpose that this Company is subject to the Exchange Act.

Please acknowledge receipt of this letter and the enclosed materials by date stamping the enclosed return receipt copy of this letter and returning it to the Group Compliance by fax at (662) 299-5252 attention Ms. Saowanee Tenvongvatana.

If you have any questions, please do not hesitate to contact the undersigned in Bangkok, Thailand at (662) 299-5561 or by emailing saowanee.t@shincorp.com

Thank you for your attention in this matter.

Faithfully yours,

Mr. Anan Chatgoenngam
Compliance Manager
Shin Corporation Plc.

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Enclosure

**Summary Translation Letter
To the Stock Exchange of Thailand
May 11, 2007**

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OFFICE OF THE SECRETARY
CORPORATE FINANCE

AIS-CP 051/2007

May 11, 2007

Subject: Notification of the Resolutions of Board of Directors' Meeting No. 4/2007 of Advanced Info Service Plc ("the Company")

To: The President
The Stock Exchange of Thailand

We would like to inform you that Board of Directors' Meeting of the Company No. 4/2007 held on May 11, 2007 has resolved the following matters:

1. Certified the Minutes of Board of Directors' Meeting No. 3/2007 held on March 22, 2007;
2. Approved the Balance Sheets, Statement of Income and Cash Flow Statements for the first quarter of 2007 ended March 31, 2007;
3. Acknowledged the resignation of two directors; Mr. Boonklee Plangsiri and Mrs. Siripen Sitasuwan and approved the appointment of new directors which endorsed by the Nomination Committee;
 - 1) Mr. Vikrom Sripataks to be the director of the Company, replacing Mr. Boonklee Plangsiri
 - 2) Ms. Nidchanun Santhaveesuk to be the director of the Company, replacing Mrs. Siripen Sitasuwan

Become effective since May 11, 2007 onwards.

The Company's Board of Directors will be composed of the following members:

- | | |
|--------------------------------|---|
| 1) Dr. Paiboon Limpaphayom | Chairman of the Board of Directors and Independent Director |
| 2) Mr. Aviruth Wongbuddhapitak | Chairman of the Audit Committee and Independent Director |
| 3) Mrs. Tassanee Manorot | Audit Committee and Independent Director |
| 4) Mr. Surasak Vajasit | Audit Committee and Independent Director |
| 5) Mr. Suphadej Poonpipat | Director |
| 6) Mr. Vasukree Klapairee | Director |
| 7) Mr. Allen Lew Yoong Keong | Director |
| 8) Ms. Koh Kah Sek | Director |
| 9) Mr. Somprasong Boonyachai | Director |
| 10) Mr. Vikrom Sripataks | Director |
| 11) Ms. Nidchanun Santhaveesuk | Director |

4. Approved the amendment to the Company's authorized signatories to be as follows:

From: "Mr. Boonklee Plangsiri, Mr. Somprasong Boonyachai, and Mrs. Siripen Sitasuwan any two of these three directors jointly sign with the Company's seal affixed."

To: "Mr. Somprasong Boonyachai, Mr. Vikrom Sripataks, and Ms. Nidchanun Santhaveesuk any two of these three directors jointly sign with the Company's seal affixed."

5. Approved the appointment of Mr. Vikrom Sripataks and Ms. Nidchanun Santhaveesuk to be the Member of the Executive Committee of the Company, effective since May 11, 2007 onwards.

The Company's Executive Committee will be composed of the following members:

- | | |
|-------------------------------|--|
| 1) Mr. Somprasong Boonyachai | Chairman of the Executive Committee |
| 2) Mr. Allen Lew Yoong Keong | Vice Chairman of the Executive Committee |
| 3) Dr. Dumrong Kasemset | Member of the Executive Committee |
| 4) Mr. Vikrom Sripataks | Member of the Executive Committee |
| 5) Ms. Nidchanun Santhaveesuk | Member of the Executive Committee |

Besides approved the appointment of Mr. Somprasong Boonyachai to be the Member of Remuneration Committee and Nomination Committee, replacing Mr. Boonklee Plangsiri who resigned from such positions, effective since May 11, 2007 onwards.

The Company's Remuneration Committee will be composed of the following members:

- | | |
|--------------------------------|--|
| 1) Dr. Paiboon Limpaphayom | Chairman of the Remuneration Committee |
| 2) Mr. Aviruth Wongbuddhapitak | Member of the Remuneration Committee |
| 3) Mr. Somprasong Boonyachai | Member of the Remuneration Committee |

The Company's Nomination Committee will be composed of the following members:

- | | |
|------------------------------|--------------------------------------|
| 1) Dr. Paiboon Limpaphayom | Chairman of the Nomination Committee |
| 2) Mr. Surasak Vajait | Member of the Nomination Committee |
| 3) Mr. Somprasong Boonyachai | Member of the Nomination Committee |

6. Approved the amendment to the Company's corporate governance policy to be more in line with international practices by setting that an independent director shall not serve for more than 3 consecutive terms;
7. Approved the investment of Bridge Mobile Pte Ltd. – Singapore which is joint force mobile operators in Asia and Pacific region in 10 countries to provide international roaming. The Company will invest 2 million shares or 10% stake of such company, approximately investment 2.7 million USD;
8. Approved setting up a new subsidiary namely "Wireless Device Supply Co., Ltd.", which the Company will hold 100% of registered capital at 50 million Baht. Wireless Device Supply Company Limited will acquire trading business – handset business, SIM card sales, and Refill card distribution – done by the Company's subsidiary namely Digital Phone Co., Ltd. at net book value of fix assets and inventories plus margin which is comparable market price, approximately 1,220 million Baht (latest net book value plus margin 5%);
9. Approved winding up a subsidiary of the Company namely Data Line Thai Co., Ltd. ("DLT") which the Company holds 65% of registered capital at 15 million Baht because DLT is an internet service provider that is not the core business of the Company;

10. Approved a capital expenditure of 111.41 million USD for expansion of the GSM network Phase 18A in order to improve the traffic and signalling efficiency and increase the service capacity for the Company's subscribers and new services.

Provide that, the above approvals for investments are considered that not enter into the connected transaction and acquisition or disposition of assets specified by the Rules and Regulation of the Stock Exchange of Thailand.

**Summary Translation Letter
To the Stock Exchange of Thailand
May 11, 2007**

AIS-CP 052/2007

May 11, 2007

Subject Submission of Reviewed Consolidated and Company Financial Statements for the First Quarter of Year 2007 and Clarification of the differences between net profit for the first quarter of 2007 and the first quarter of 2006 is over 20%

To: The President
The Stock Exchange of Thailand

Enclosure: 1. Reviewed consolidated and company financial statements for the first quarter of year 2007 in Thai and English version
2. Management and Discussion Analysis for the first quarter of year 2007 in Thai and English version
3. Reports Reviewed Quarterly Financial Statements (F45-3)

Advanced Info Service Public Company Limited ("the Company") would like to submit the reviewed consolidated and company financial statements for the first quarter of 2007. In addition, the Company would like to clarify on the operating results of the Company and its subsidiaries which had been changed from the same period of last year by more than 20%. Net profit reported 3,984 million, decreased by Baht 1,306 million or 24.7% from Baht 5,290 million in the first quarter 2006, due to the significant causes as follows:

1. Revenue

- Revenue from services and equipment rental in the first quarter 2007 were Baht 19,493 million, decreased by Baht 1,774 million or 8.3% when compared with those of the first quarter 2006 due mainly to a decline in average tariffs and average revenue per user ("APRU") as the competition in the market remained intense.
- Revenue from sales were Baht 4,006 million in the first quarter 2007, increased by Baht 585 million or 17.1% from Baht 3,421 million in the first quarter 2006 as a result of higher units sales of handset.

2. Cost and expenses

- Cost of sales in this quarter were Baht 3,676 million, increased by Baht 675 million or 22.5% from Baht 3,000 million in the first quarter 2006 due to higher units sales of handset.
- Selling and administrative expenses were Baht 3,126 million in the first quarter of 2007, an increase of Baht 309 million or 11.0% when compared to the first quarter 2006, reflected mainly from higher marketing activities and more spending in brand and distribution.

**Summary Translation Letter
To the Stock Exchange of Thailand
May 11, 2007**

Ref: AIS-CP 054/2550

May 11, 2007

Subject: Report of Financial Covenants Compliance
Advanced Info Service Plc.

To The President
The Stock Exchange of Thailand

Pursuance to the Terms and Conditions of the debentures of Advanced Info Service Plc. AIS073A, AIS07OA, AIS093A, and AIS093B, the Company is required to maintain debt to equity ratio at not more than 2:1. This ratio will be calculated from an unconsolidated financial statement of the Company on a quarterly basis. The Company is, in addition, required to report a default on any debt obligation if there is any. In case that the Company pays dividend to the shareholders more than 40% of the net profit, the Company must maintain a credit rating at least AA.

We would like to notify you that as at 31 March, 2007 the Company was not in default of any debt obligation. The Company can maintain the credit rating at AA and the debt to equity ratio as at 31 March 2007 were 0.45 time. The Company is completely complied with the conditions set forth in the Terms and Conditions of the above debentures.

Summary Translation Letter
To the Stock Exchange of Thailand
May 11, 2007

Management's Discussion and Analysis

Overview

The Group reported total subscribers of 21.1 million as of Mar-07, represented a net addition of 1.57 millions or 8% subscriber growth.

For the 1Q07, AIS and its subsidiaries ("The Group") added in total 1.57 million subscribers, representing an 8% growth from the end of year 2006, of which 1.18 millions were prepaid subscribers and 0.38 millions postpaid subscribers. Subscriber growth was mainly contributed by promotions such as "Aow Pai Leay Bt1 per call", "Aow Pai Leay Bt0.25", "GSM S package" and "GSM S Plus". The subscriber base reached 21.1 millions, comprising of 2.6 million postpaid subscribers and 18.5 million prepaid subscribers.

Total revenues in 1Q07 were Bt23,498 million, declined 4.8% yoy from Bt24,688 million in 1Q06 but improved 5.2% over 4Q06. Service revenues in 1Q07 declined 8.3% yoy to Bt19,493 million as average tariffs and ARPU (Average revenue per user) in 1Q06 were relatively high. On the other hand, the service revenues improved 6.4% from the previous quarter on the back of strong subscriber growth and relatively stable tariffs. Sales revenue increased 17% yoy to Bt4,006 million from higher units sales of handset. Sales were stable compared to the previous quarter.

Total cost slightly increased 1.2% yoy to Bt14,293 million in 1Q07, due to higher cost of sales which grew 22.5% yoy to Bt3,676 million, while cost of service slightly declined 1.2% yoy to Bt5,802 million and concession fee declined 8.2% yoy in proportionate to revenue decline. Total cost increased 2.2% from 4Q06 as both cost of service and cost of sales grew at about the same rates. SG&A expenses were Bt3,126 million, increased 11.0% yoy from higher marketing expenses as 1Q06 spending was unusually low. SG&A fell 8.7% as very high marketing activities in 4Q06 returned to a rather normal pace in 1Q07.

Interest expense increased 36.3% yoy to Bt448 million as the Group's total outstanding debt in 1Q07 increased to Bt28,402 million from Bt23,963 million in 1Q06. Interest expense was higher in 4Q06 during the period of refinancing debts. The Group recorded net profit of Bt3,984 million for the period, a 24.7% decline from Bt5,290 million in 1Q06 but improved 25.0% from Bt3,187m in 4Q06.

(Bt million)	1Q07	1Q06	% change yoy	4Q06	% change qoq
Service revenue	19,493	21,267	-8.3%	18,317	6.4%
Sales revenue	4,006	3,421	17.1%	4,011	-0.1%
Total revenue	23,498	24,688	-4.8%	22,328	5.2%
Total cost	14,293	14,123	1.2%	13,989	2.2%
Gross profit	9,206	10,565	-12.9%	8,340	10.4%
SG&A	3,126	2,817	11.0%	3,424	-8.7%
Earnings before interest and tax	6,269	8,036	-22.0%	5,160	21.5%
Net profit	3,984	5,290	-24.7%	3,187	25.0%

**Summary Translation Letter
To the Stock Exchange of Thailand
May 11, 2007**

Management's Discussion and Analysis

Revenues & Profitability

Total Revenue

Service revenues decreased 4.8% yoy as average tariff for 1Q07 is still lower the average in 1Q06.

In 1Q07, total revenues consist of (1) 83.0% service revenues and rentals (2) 17.0% sales of handsets and SIM cards. Total revenues in 1Q07 were Bt23,498 million, declined 4.8% yoy from Bt24,688 million in 1Q06 as a result of a decline in service revenues. Compared to the previous quarter, total revenues however increased 5.2% qoq from Bt22,328 million in 4Q06 due to an increase in service revenue.

(1) *Service revenues* were Bt19,493 million in 1Q07, declined 8.3% yoy from Bt21,267 million in 1Q06 when average tariffs and ARPU were relatively high. 1Q06 was a strong quarter, compared to 1Q07 and also the rest of 2006, in term of average tariffs, ARPU, and service revenue due to tariffs increase for the low-price promotions at the beginning of year 2006. Compared to 4Q06, service revenue in 1Q07 increased 6.4% qoq due to strong growth in subscriber base and relatively stable tariffs during the quarter.

(2) *Sales revenue* increased 17.1% yoy to Bt4,006 million from higher units sales of handset, but was relatively flat compared to 4Q06 due to lower average price of handsets albeit at higher units sold.

Total Cost

Total cost slightly increased 1.2% yoy from higher cost of sales while cost of service and concession fee declined yoy.

Total cost comprises of (1) cost of services and equipment rentals, (2) concession fee and excise tax, and (3) cost of sales. For the 1Q07, the Group incurred total cost of Bt14,293 million, which increased 1.2% y-o-y from Baht 14,123 million in 1Q06, and increased 2.2% qoq from Bt13,989 million in 4Q06.

(1) *Cost of services and equipment rentals* in 1Q07 were Bt5,802 million, slightly decreased 1.2% yoy from Bt 5,876 million in 1Q06 when amortization cost was relatively high. However, when compared to the previous quarter, cost of services increased 2.3% qoq from Bt5,675 million in 4Q06 as amortization cost and other network-related cost starts to pick up following network investment spent last year.

(2) *Concession fee and excise tax* were Bt 4,814 million in 1Q07, declined 8.2% yoy from Bt 5,247 million in 1Q06 and increased 5.8% qoq from Bt4,550 million in 4Q06 following proportionate decline/increase in service revenues. Starting from 27 February 2007, following the Ministerial Notification from Ministry of Finance and the Cabinet approval, excise tax on telecommunications service has been reduced to zero percent. As a result, instead of previous practice of deducting 10% excise tax from revenue share paid to TOT, the Group currently pays a full amount of revenue share to TOT. Concession fee and excise tax as percentage of service revenue remains the same at 24.7% in 1Q07, compared to 24.7% in 1Q06 and 24.8% in 4Q06.

(3) *Cost of sales* in 1Q07 was Bt 3,676 million, increased 22.5% yoy from Bt3,000 million in 1Q06 following higher unit sales of handsets. Compared to the previous quarter, cost of sales declined 2.3% qoq from Bt3,764 million in 4Q06 from lower average price of handsets despite unit sold was increased. Sales margin in 1Q07 was 8.2% compared to 12.3% in 1Q06 and 6.2% in 4Q06; this is usually fluctuated from quarter to quarter depending on different margins from different handset models sold in each period.

**Summary Translation Letter
To the Stock Exchange of Thailand
May 11, 2007**

Management's Discussion and Analysis

Selling and administrative expenses (SG&A)

Marketing spending to total revenues was 3.7%, the same level of spending as for full year 2006.

SG&A expenses were Bt 3,126 million in 1Q07, represented an 11.0% yoy increase from Bt 2,817 million in 1Q06 but declined 8.7% qoq from Bt3,424 million in 4Q06 due to marketing expenses. Marketing spending in 1Q07, the same level to spending for the full year 2006, was 3.7% of total revenues, compared to the unusually low at 2.2% of total revenues in 1Q06 when marketing activities were slowed down. On contrary, the qoq decline was a result of the significant high spending in brand and distribution at 6.0% of total revenues in 4Q06.

Interest expense

Interest expense increased 36.3% yoy to Bt448 million as the Group's total outstanding debt in 1Q07 increased to Bt28,402 million from Bt23,963 million in 1Q06. Compared to the previous quarter, interest expense declined 12.5% qoq from the unusually high Bt511 million in 4Q06 due to drawdown of Bt11,427 million new debenture in late 3Q06 before repayment of the old Bt10,000 million later in November 2006.

Net Profit

The Group recorded net profit of Bt3,984 million for the period, a 24.7% decline from Bt5,290 million in 1Q06 but improved 25.0% from Bt3,187m in 4Q06.

Liquidity

Liquidity improved due to increase in VAT receivables, trade receivables, and cash.

At the end of 1Q07, current ratio improved to 81% from 74% at the end of 4Q06 due to increase in VAT receivables, trade receivables, and cash.

Current assets

The Group's current assets as of 31 March 2007 were Bt 25,150 million, an increase of 9.9% from Bt22,893 million at the end of 4Q06 as a result of increase in VAT receivables, trade receivables, and cash. Cash and cash equivalents represent 53% of current assets.

	31 March 2007		31 December 2006	
	Million Baht	% Total assets	Million Baht	% Total assets
Cash and cash equivalents	13,248	9.6%	12,742	9.5%
Trade receivables	5,543	4.0%	4,898	3.6%
VAT receivables	1,806	1.3%	464	0.3%
Inventories for network spare part	1,531	1.1%	2,055	1.5%
Other current assets	3,022	2.2%	2,733	2.0%
Total current assets	25,150	18.3%	22,893	17.0%

Summary Translation Letter
To the Stock Exchange of Thailand
May 11, 2007

Management's Discussion and Analysis

Current liabilities

Current liabilities slightly increased to Bt31,205 million from Bt 31,039 million at the end of 4Q06, despite of repayment of short-term loan and current portion of long-term debt, due to increase in trade payable, accrued concession fee and excise tax, and income tax payable.

	31 March 2007		31 December 2006	
	Million Baht	% Total Liabilities	Million Baht	% Total Liabilities
Short term loans	-	-	1,000	1.8%
Trade payable	6,671	11.9%	5,760	10.2%
Portion of long-term debt due in 1 year	3,509	6.3%	6,507	11.5%
Concession right payable, accrued concession fee and excise tax	8,045	14.3%	7,155	12.6%
Unearned income	3,724	6.6%	3,659	6.5%
Income tax payable	4,613	8.2%	2,963	5.2%
Other current liabilities	4,644	8.3%	3,994	7.0%
Total current liabilities	31,205	55.6%	31,039	54.7%

Assets

Total assets grew from increase in current assets and fixed assets for mobile network.

Total assets as of 31 March 2007 was Bt137,742 million, grew by Bt3,441 million from Bt 134,301 million as of 31 December 2006. The increase mainly came from rises in current assets and asset under concession agreement as the Group continued to invest in network capacity and quality. Fixed assets including Property Plant and Equipment and assets under concession, which mainly utilized to operate mobile network, represented 65.5% of total assets.

	31 March 2007		31 December 2006	
	Million Baht	% of Total assets	Million Baht	% of Total Assets
Current assets	25,150	18.3%	22,893	17.0%
Property, plant and equipment, net	8,369	6.1%	7,797	5.8%
Asset under concession agreement, net	81,860	59.4%	81,096	60.4%
Intangible assets	11,819	8.6%	12,197	9.1%
Deferred tax assets	9,917	7.2%	9,763	7.3%
Other non-current assets	626	0.5%	555	0.4%
Total assets	137,742	100%	134,301	100%

Summary Translation Letter
To the Stock Exchange of Thailand
May 11, 2007

Management's Discussion and Analysis

Capital structure

The Group's capital structure remained strong, with debt to equity ratio of 35%

The Group's capital structure remained strong with low leverage, as shown in three key ratios below. Total liabilities to equity at the end of 1Q07 were 69% declined from 73% at the end of 4Q06 due to repayment of debenture during the quarter. Debt to equity also declined to 35% from 43%. Net debt to equity (Net debt = total debentures and borrowings minus cash) declined to 19% from 26%.

	31 March 2007	31 December 2006
Total liabilities to equity	69%	73%
Debt to equity	35%	43%
Net debt to equity	19%	26%

Debentures and Loans

As of 31 March 2007, the Group had total debentures and borrowings of Bt28,402 million, declined from Bt33,149 million at the end of 4Q06. The decline was from retirement of Bt3,750 million of long-term debentures and repayment of B1,000 million of short-term borrowing.

	31 March 2007		31 December 2006	
	Million Baht	% Total Liabilities	Million Baht	% Total Liabilities
Short term borrowing	-	-	1,000	1.8%
Portion of long-term debt due in 1 year	3,509	6.3%	6,507	11.5%
Long-term debt	24,893*	44.4%	25,642*	45.2%
Total debts	28,402	50.6%	33,149	58.5%

* including swap contract payable incurred from JPY-denominated syndicated loan which was swapped into Thai Baht in total of Baht 9,485 million

Shareholders' equity

The Group's shareholder's equity increased to Bt81,632 million at the end of 1Q07 from Bt77,599 million at the end of 4Q06, mainly as a result of increase in retained earnings from net profit during the period of Bt3,984 million.

Cash Flow

Cash flow remained strong and sufficient to finance capital expenditures and repay debt.

For the three-month period, the Group generated Bt9,854 million of cash flow from operations (after interest, tax, and changes in working capital). Of this amount, the Group mainly spent Bt4,516 million on network investment and repaid Bt4,750 million of short-term loans and long-term debentures. The rest was kept as cash on hand.

Rule 12g3-2 (b) Exemption No. 101-02-0120

**Summary Translation Letter
To the Stock Exchange of Thailand
May 11, 2007**

Management's Discussion and Analysis

Change in accounting policy:

Change from equity method to cost method for investment in subsidiary and associated companies

In the 1Q07, the Company changed its accounting policy for its investment in subsidiaries from equity method to cost method in compliance to the Notification No.26/2006 issued by the Federation of Accounting Professions regarding the Accounting Standard No. 44 "Consolidated Financial Statements and Accounting for Investments in Subsidiaries" (Amendment No. 1). The Company's stand-alone financial statements for 1Q06 and the balance sheet for the year ended 2006 were restated for comparison. The change in accounting policy to cost method has no impact to the consolidated financial statement which remains unchanged.

The effects of the retrospective adjustments to the Company's (stand-alone) balance sheet as of 31 December 2006 and the Company's statement of income for the three-month period ended 31 March 2006 are as follows:

Balance sheets as at 31 December 2006	Restated Million Baht
Decrease in investments in subsidiaries	
Impact from the change from equity to cost method	1,723
Impact from impairment loss to investment at cost	6,025
Decrease in investments in subsidiaries, net	7,748
Shareholders' equity	
Decrease in unrealised gain from dilution of investment as at 1 January 2006 and 31 December 2006	161
Decrease in retained earnings as at 31 December 2006	7,587
Decrease in retained earnings as at 1 January 2006	8,814
Statements of income for the three-month period ended 31 March 2006	Restated Million Baht
Decrease in net profit for the period	773
Decrease in basic earnings per share (Baht)	0.26
Decrease in diluted earnings per share (Baht)	0.26

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OFFICE OF INTERIM
CORPORATE FINANCE

ADVANCED INFO SERVICE PUBLIC COMPANY LIMITED

**INTERIM CONSOLIDATED AND COMPANY
FINANCIAL STATEMENTS
(UNAUDITED)**

31 MARCH 2007

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AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS

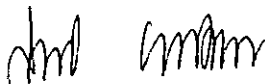
To the Shareholders of Advanced Info Service Public Company Limited

I have reviewed the accompanying consolidated and company balance sheets as at 31 March 2007, and the related consolidated and company statements of income, changes in shareholders' equity and cash flows for the three-month period ended 31 March 2007 and 2006 of Advanced Info Service Public Company Limited and its subsidiaries and of Advanced Info Service Public Company Limited. The Company's management is responsible for the correctness and completeness of information in these interim financial statements. My responsibility is to issue a report on these financial statements based on my reviews.

I conducted my reviews in accordance with the standard on auditing applicable to review engagements. This standard requires that I plan and perform a review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit, and accordingly, I do not express an audit opinion.

Based on my reviews, nothing has come to my attention that causes me to believe that the interim consolidated and company financial statements referred to above are not presented fairly, in all material respects, in accordance with generally accepted accounting principles.

I have audited the consolidated and company financial statements for the year ended 31 December 2006 of Advanced Info Service Public Company Limited and its subsidiaries and of Advanced Info Service Public Company Limited in accordance with generally accepted auditing standards and expressed an unqualified opinion on those statements in my report dated 23 February 2007. As discussed in Note 2 to the financial statements, from 1 January 2007 the Company has changed its accounting policy for investments in subsidiaries in the company financial statements from the equity method to the cost method to comply with the Federation of Accounting Professions' announcement. The Company has applied the retrospective adjustments. Therefore, the company balance sheet as at 31 December 2006, as part of the consolidated and company financial statements which I have audited and issued a report thereon as stated above, and the interim company financial statement for the quarter ended 31 March 2006, presented for comparative purposes, are restated.



Suchart Luengsuraswat
Certified Public Accountant (Thailand) No. 2807
PricewaterhouseCoopers ABAS Limited

Bangkok
11 May 2007

	Notes	Consolidated		Company	
		Unaudited	Audited	Unaudited	Audited
		31 March	31 December	31 March	31 December
		2007	2006	2007	2006
					Restated
		Baht'000	Baht'000	Baht'000	Baht'000
ASSETS					
Current Assets					
Cash and cash equivalents		13,248,340	12,742,218	2,007,979	3,725,034
Short-term investments		122,696	118,187	-	-
Trade accounts receivable, net	6	5,543,363	4,898,182	6,531,183	5,288,900
Amounts due from and loans to related parties	19	1,119	2,973	149,591	87,113
Receivables for cash card		626,286	620,505	-	-
Value added tax receivables - third party		1,805,554	463,557	1,805,554	463,557
Inventories and sparepart inventories for mobile phone network maintenance, net		1,530,770	2,055,466	127,603	113,364
Other current assets	7	2,272,254	1,991,808	1,690,863	1,756,240
Total Current Assets		25,150,382	22,892,896	12,312,773	11,434,208
Non-Current Assets					
Investments in subsidiaries, net	8	-	-	19,856,041	19,856,041
Property, plant and equipment, net	9	8,368,966	7,797,323	7,581,079	7,021,666
Assets under concession agreements, net	9	81,859,994	81,095,903	75,841,647	74,763,193
Intangible assets					
Computer software, net	9	1,336,730	1,308,759	1,253,928	1,234,412
Concession rights, net	9	2,937,399	3,051,104	-	-
Goodwill, net	9	7,545,317	7,837,043	-	-
Deferred tax assets	15	9,917,111	9,762,601	8,976,949	8,813,222
Other non-current assets, net	9	626,085	555,145	511,374	441,227
Total Non-Current Assets		112,591,602	111,407,878	114,021,018	112,129,761
Total Assets		137,741,984	134,300,774	126,333,791	123,563,969



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 ADVANCED INFO SERVICE PUBLIC COMPANY LIMITED
 บริษัท แอดวานซ์ อินโฟร์ เซอร์วิส จำกัด (มหาชน)

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The notes on pages 9 to 30 are an integral part of these interim financial statements.

	Notes	Consolidated		Company	
		Unaudited	Audited	Unaudited	Audited
		31 March	31 December	31 March	31 December
		2007	2006	2007	2006
		Baht'000	Baht'000	Baht'000	Restated Baht'000
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current Liabilities					
Short-term loan from a financial institution	11	-	1,000,000	-	1,000,000
Trade accounts payable	10	6,670,824	5,759,710	6,546,842	5,662,485
Amounts due to and loans from related parties	19	330,619	523,210	4,827,936	4,925,439
Current portion of long-term debentures, net and long-term borrowings	11	3,508,842	6,507,227	3,506,434	6,504,184
Concession right payable, accrued concession fee and excise tax	12	8,044,674	7,155,341	2,786,187	2,051,951
Unearned income - mobile phone service		3,724,307	3,658,800	4,172,302	4,072,275
Advance receipts from customers		863,524	1,090,979	-	-
Income tax payable		4,612,633	2,963,490	3,928,727	2,576,871
Other current liabilities	13	3,449,670	2,379,903	3,028,901	1,947,159
Total Current Liabilities		31,205,093	31,038,660	28,797,329	28,740,364
Non-Current Liabilities					
Swap contracts payable, net	14	332,062	137,954	332,062	137,954
Long-term debentures, net and long-term borrowings	11	24,560,953	25,504,304	24,550,603	25,496,004
Other non-current liabilities		12,367	20,847	-	-
Total Non-Current Liabilities		24,905,382	25,663,105	24,882,665	25,633,958
Total Liabilities		56,110,475	56,701,765	53,679,994	54,374,322
Shareholders' Equity					
Share capital					
Authorised share capital	17	4,997,460	4,997,460	4,997,460	4,997,460
Issued and fully paid-up share capital	17	2,954,592	2,953,547	2,954,592	2,953,547
Premium on share capital	17	21,022,676	20,978,563	21,022,676	20,978,563
Advanced receipts for share subscription	17,22	34,253	14,504	34,253	14,504
Unrealised gain from dilution of investment		161,187	161,187	-	-
Retained earnings					
Appropriated - Legal reserve		500,000	500,000	500,000	500,000
Unappropriated		56,313,943	52,330,152	48,142,276	44,743,033
Total Parent's Shareholders' Equity		80,986,651	76,937,953	72,653,797	69,189,647
Minority interests		644,858	661,056	-	-
Total Shareholders' Equity, net		81,631,509	77,599,009	72,653,797	69,189,647
Total Liabilities and Shareholders' Equity		137,741,984	134,300,774	126,333,791	123,563,969

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ADVANCED INFO SERVICE PUBLIC COMPANY LIMITED
บริษัท แอดวานซ์ อินโฟร์ เซอร์วิส จำกัด (มหาชน)

The notes on pages 9 to 30 are an integral part of these interim financial statements.

	Notes	Consolidated		Company	
		Unaudited 31 March 2007 Baht'000	Unaudited 31 March 2006 Baht'000	Unaudited 31 March 2007 Baht'000	Unaudited 31 March 2006 Restated Baht'000
Revenues					
Revenues from services and equipment rentals		19,492,675	21,267,404	18,676,151	20,071,124
Sales		4,005,689	3,420,802	-	-
Total revenues		<u>23,498,364</u>	<u>24,688,206</u>	<u>18,676,151</u>	<u>20,071,124</u>
Cost					
Cost of services and equipment rentals		5,802,226	5,875,539	6,174,381	6,124,898
Concession fee and excise tax		4,814,476	5,246,788	4,406,327	4,882,368
Cost of sales		3,675,830	3,000,464	-	-
Total cost		<u>14,292,532</u>	<u>14,122,791</u>	<u>10,580,708</u>	<u>11,007,266</u>
Gross profit		<u>9,205,832</u>	<u>10,565,415</u>	<u>8,095,443</u>	<u>9,063,858</u>
Selling and administrative expenses		3,126,406	2,816,724	2,864,612	2,394,424
Profit from sales, services and equipment rentals		<u>6,079,426</u>	<u>7,748,691</u>	<u>5,230,831</u>	<u>6,669,434</u>
Other operating income		200,750	266,653	153,600	132,666
Net (loss) gain on exchange rate		(9,406)	23,045	(13,851)	13,264
Directors' remuneration		(1,943)	(2,305)	(1,869)	(1,695)
Profit before interest and tax		<u>6,268,827</u>	<u>8,036,084</u>	<u>5,368,711</u>	<u>6,813,669</u>
Interest expense		(447,711)	(328,440)	(498,464)	(374,643)
Income tax	16	(1,853,523)	(2,447,474)	(1,471,004)	(1,922,430)
Profit before minorities		<u>3,967,593</u>	<u>5,260,170</u>	<u>3,399,243</u>	<u>4,516,596</u>
Loss attributable to minorities, net		(16,198)	(29,495)	-	-
Net profit for the period		<u>3,983,791</u>	<u>5,289,665</u>	<u>3,399,243</u>	<u>4,516,596</u>
Basic earnings per share (Baht)	5				
Net profit for the period		<u>1.35</u>	<u>1.79</u>	<u>1.15</u>	<u>1.53</u>
Diluted earnings per share (Baht)	5				
Net profit for the period		<u>1.35</u>	<u>1.79</u>	<u>1.15</u>	<u>1.53</u>

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ADVANCED INFO SERVICE PUBLIC COMPANY LIMITED
บริษัท แอดวานซ์ อินโฟร์ เซอร์วิส จำกัด (มหาชน)

The notes on pages 9 to 30 are an integral part of these interim financial statements.

Advanced Info Service Public Company Limited
Statements of Changes in Shareholders' Equity (Unaudited)
For the three-month periods ended 31 March 2007 and 2006

	Consolidated (Baht'000)							
	Issued and paid-up share capital	Premium on share capital	Advance receipts for share subscription	Fair value reserve	Unrealised gain on dilution of investment	Legal reserve	Capital reserve for treasury stock	Unappropriated retained earnings
Opening balance	2,953,547	20,978,563	14,504	-	161,187	500,000	-	52,330,152
Net profit for the period	-	-	-	-	-	-	-	77,598
Transfer of advanced receipts to additional shares (Note 17)	333	14,171	(14,504)	-	-	-	-	3,983
Additional shares (Note 17)	712	29,942	-	-	-	-	-	-
Advanced receipts for share subscription (Note 17)	-	-	34,253	-	-	-	-	-
Loss attributable to minorities	-	-	-	-	-	-	-	-
Closing balance 31 March 2007	2,954,592	21,022,676	34,253	-	161,187	500,000	-	56,313,943
Opening balance	2,950,640	20,729,933	25,257	17,670	161,187	500,000	83,130	54,664,430
Net profit for the period	-	-	-	-	-	-	-	885,435
Transfer of advanced receipts to additional shares	491	24,766	(25,257)	-	-	-	-	5,289
Additional shares	1,544	76,918	-	-	-	-	-	-
Advanced receipts for share subscription	-	-	4,221	-	-	-	-	-
Change in fair value reserve	-	-	-	(17,670)	-	-	-	-
Loss attributable to minorities	-	-	-	-	-	-	-	-
Closing balance 31 March 2006	2,952,675	20,831,617	4,221	-	161,187	500,000	83,130	59,954,095
								855,940
								85,259
								81,631
								79,934
								5,289
								78
								4
								(17,670)
								(29,495)
								855,940
								85,259

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Advanced Info Service Public Company Limited
Statements of Changes in Shareholders' Equity (Unaudited) (continued)
For the three-month periods ended 31 March 2007 and 2006

	Company (Baht'000)						
	Issued and paid-up share capital	Premium on share capital	Advanced receipts for share subscription	Unrealised gain from dilution of investment	Legal reserve	Capital reserve for treasury stock	Treasury stock
Opening balance 2007 - as previously report	2,953,547	20,978,563	14,504	161,187	500,000	-	76,93
Retrospective adjustment (Note 2)	-	-	-	(161,187)	-	-	(7,74)
Opening balance - as restated	2,953,547	20,978,563	14,504	-	500,000	-	69,18
Net profit for the period	-	-	-	-	-	-	3,39
Transfer of advanced receipts to additional shares (Note 17)	333	14,171	(14,504)	-	-	-	-
Additional shares (Note 17)	712	29,942	-	-	-	-	-
Advanced receipts for share subscription (Note 17)	-	-	-	-	-	-	3
Closing balance 31 March 2007	2,954,592	21,022,676	34,253	-	500,000	-	72,65
Opening balance 2006 - as previously report	2,950,640	20,729,933	25,257	161,187	500,000	83,130	79,03
Retrospective adjustment (Note 2)	-	-	-	(161,187)	-	-	(8,974)
Opening balance - as restated	2,950,640	20,729,933	25,257	-	500,000	83,130	70,05
Net profit for the period (restated)	-	-	-	-	-	-	4,51
Transfer of advanced receipts to additional shares	491	24,766	(25,257)	-	-	-	-
Additional shares	1,544	76,918	-	-	-	-	-
Advanced receipts for share subscription	-	-	-	-	-	-	-
Closing balance 31 March 2006	2,952,675	20,831,617	4,221	-	500,000	83,130	74,65

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ADVANCED INFO SERVICE PUBLIC COMPANY LIMITED
บริษัท แอดวานซ์ อินโฟร์ เซอร์วิส จำกัด (มหาชน)

The notes on pages 9 to 30 are an integral part of these interim financial statements.

		Consolidated		Company	
		Unaudited 31 March 2007	Unaudited 31 March 2006	Unaudited 31 March 2007	Unaudited 31 March 2006 Restated
	Notes	Baht'000	Baht'000	Baht'000	Baht'000
Cash flows from operating activities	18	9,852,917	12,683,685	7,397,362	10,839,521
Cash flows from investing activities					
Net changes in short-term investments		(4,509)	159,335	-	-
Proceeds from disposals of property and equipment		8,356	1,912	7,624	1,804
Purchase of property, plant, equipment and computer software		(1,529,400)	(704,264)	(1,393,908)	(648,151)
Purchase of assets under concession agreements		(2,985,914)	(1,943,474)	(2,981,753)	(1,865,234)
Loans to related parties		-	-	(50,100)	-
Net cash used in investing activities		(4,511,467)	(2,486,491)	(4,418,137)	(2,511,581)
Cash flows from financing activities					
Repayments of short-term loan from a financial institution	11	(1,000,000)	-	(1,000,000)	-
Repayments of short-term loans from a subsidiary		-	-	-	(6,500,000)
Repayments of long-term debentures	11	(3,750,000)	(1,500,000)	(3,750,000)	(1,500,000)
Finance lease principal payments	11	(4,861)	(4,800)	(4,075)	(4,151)
Proceeds from additional share capital		712	1,543	712	1,543
Proceeds from share premium		29,942	76,918	29,942	76,918
Advanced receipts for share subscription	17	34,253	4,221	34,253	4,221
Net cash used in financing activities		(4,689,954)	(1,422,118)	(4,689,168)	(7,921,469)
Net increase (decrease) in cash and cash equivalents		651,496	8,775,076	(1,709,943)	406,471
Opening balance		11,097,790	6,757,483	3,725,034	1,824,526
Unrealised loss on exchange rate of cash and cash equivalents		(7,112)	(7,261)	(7,112)	(7,261)
Closing balance		11,742,174	15,525,298	2,007,979	2,223,736

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ADVANCED INFO SERVICE PUBLIC COMPANY LIMITED

บริษัท แอดวานซ์ อินโฟร์ เซอร์วิส จำกัด (มหาชน)

Supplemental disclosures of cash flow information

Cash and cash equivalents

Cash and cash equivalents included in the statements of cash flows for the three-month periods ended 31 March 2007 and 2006 comprise:

	Consolidated		Company	
	Unaudited 31 March 2007	Unaudited 31 March 2006	Unaudited 31 March 2007	Unaudited 31 March 2006 Restated
	Million Baht	Million Baht	Million Baht	Million Baht
Cash and deposits at financial institutions	5,538	15,131	1,190	1,353
Short-term investments with maturities of three months or less	7,710	4,928	818	871
	13,248	20,059	2,008	2,224
<u>Less restricted bank deposits</u>	<u>(1,506)</u>	<u>(4,534)</u>	<u>-</u>	<u>-</u>
Total cash and cash equivalents	11,742	15,525	2,008	2,224

Interest paid, income tax and non-cash investing activities

Interest paid, income tax paid and non-cash investing activities for the three-month periods ended 31 March 2007 and 2006 comprise:

	Consolidated		Company	
	Unaudited 31 March 2007	Unaudited 31 March 2006	Unaudited 31 March 2007	Unaudited 31 March 2006 Restated
	Million Baht	Million Baht	Million Baht	Million Baht
Interest paid and income tax paid				
Interest paid	575	394	615	522
Income tax paid	370	208	283	40

Non-cash investing activities

Outstanding debts arising from investment
in property, plant and equipment and assets
under concession agreements



ADVANCED INFO SERVICE PUBLIC COMPANY LIMITED
บริษัท แอดวานซ์ อินโฟร์ เซอร์วิส จำกัด (มหาชน)

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The notes on pages 9 to 30 are an integral part of these interim financial statements.

1 Accounting policies

These interim consolidated and company financial statements are prepared in accordance with Thai generally accepted accounting principles under the Accounting Act B.E. 2543, being those Thai Accounting Standards issued under the Accounting Profession Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission. The primary financial statements (i.e. balance sheets, statements of income, changes in shareholders' equity and cash flows) are prepared in the full format as required by the Securities and Exchange Commission. The notes to the financial statements are prepared in a condensed format according to Thai Accounting Standard 41, "Interim Financial Reporting" and additional notes are presented as required by the Securities and Exchange Commission under the Securities and Exchange Act., B.E. 2535.

An English version of the consolidated and company interim financial statements have been prepared from the interim financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language interim financial statements shall prevail.

The accounting policies used in the preparation of the interim financial statements are consistent with those used in the annual financial statements for the year ended 31 December 2006, except as explain in Note 2.

Income tax expense is recognised based on the best estimate of the weighted average annual income tax rate expected for the full financial year.

Costs that incur unevenly during the financial year are anticipated or deferred in the interim report only if it would be also appropriate to anticipate or defer such costs at the end of the financial year.

These interim financial statements should be read in conjunction with the 2006 annual financial statements.

These interim consolidated and company financial statements have been approved for issue by the Board of Directors on 11 May 2007.

1.1 Amendment to Accounting standards effective in 2007 and 2008

On 2 May 2007 the Federation of Accounting Professions (FAP) has announced the amendment to Thai Accounting Standards (TAS) as followings:

TAS no. 25 "Cash flow statement"

TAS no. 33 "Borrowing Costs"

TAS no. 44 "Consolidated and Separate Financial Statements"

TAS no. 45 "Investment in Associates "

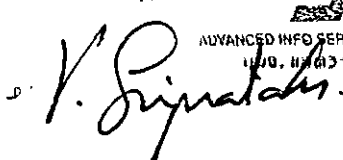

TAS no. 46 "Interests in Joint Ventures"

TAS no. 49 "Construction Contracts"

The effective date for the revised TAS no. 44 "Consolidated and Separate Financial Statements", TAS no. 45 "Investment in Associate " and TAS no. 46 "Interests in Joint Ventures" is for the accounting periods beginning on or after 1 January 2007. The amendment to those accounting standards has an impact to the separate financial statements only and does not have an impact to the consolidated financial statements as mention in Note 2.

TAS no. 25 "Cash flow statement", TAS no. 33 "Borrowing Costs" and TAS no. 49 "Construction Contracts" will be effective for the accounting periods beginning on or after 1 January 2008. The group management viewed that there is no significant impact to the group relating to revised standards.

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2 Change in accounting policy

According to the notification of Federation of Accounting Professions No.26/2549 dated on 11 October 2006 and No.32/2549 dated on 3 November 2006 relating to amendment of TAS 44 "Consolidated financial statements and accounting for investment in subsidiaries" and TAS 45 "Accounting for Investments in Associates" which require the change from the equity method of accounting to cost method of accounting for investment in the subsidiaries and associates presented in the separate financial statements. Under the cost method, income from investment will be recorded when dividends are declared. The notification is mandatory from 1 January 2007. The change in such accounting policy has an impact to the separate financial statement only and does not have an impact to the consolidated financial statements.

The Group has adopted the cost method commencing from 1 January 2007 by applying retrospective adjustments. The effects of the changes to the Company's balance sheet as of 31 December 2006 and the Company's statement of income for the three-month period ended 31 March 2006 are as follows:

Balance sheets as at 31 December 2006		Restated
		Million Baht
Decrease in investments in subsidiaries		
Impact from the change from equity to cost method		1,723
Impact from impairment loss to investment at cost		6,025
Decrease in investments in subsidiaries, net		7,748
Shareholders' equity		
Decrease in unrealised gain from dilution of investment as at 1 January 2006 and 31 December 2006		161
Decrease in retained earnings as at 31 December 2006		7,587
Decrease in retained earnings as at 1 January 2006		8,814
Statements of income for the three-month period ended 31 March 2006		Restated
		Million Baht
Decrease in net profit for the period		773
Decrease in basic earnings per share (Baht)		0.26
Decrease in diluted earnings per share (Baht)		0.26



ADVANCED INFO SERVICE PUBLIC COMPANY LIMITED
 บริษัท อีเอสไอ จำกัด
 (มหาชน)

V. Sripataks *Shye*

Advanced Info Service Public Company Limited

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Financial information by business segment for the three-month periods ended 31 March 2007 and 2006 are as follows:

	Consolidated (Million Baht)					
	For the three-month periods ended 31 March					
	Mobile phone and call center services		Mobile phone sales		Datatnet and broadband services	
	2007	2006	2007	2006	2007	2006
Revenues:						
Revenues from services and equipment rentals	19,269	21,089	26	16	197	162
Sales	-	-	4,006	3,412	-	9
Total revenues	19,269	21,089	4,032	3,428	197	171
Operating expenses:						
Cost of sales, services and equipment rentals	(10,458)	(11,011)	(3,684)	(2,997)	(151)	(115)
Selling and administrative expenses	(2,945)	(2,626)	(91)	(119)	(92)	(74)
Operating profit (loss)	5,866	7,452	257	312	(46)	(18)

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ADVANCED INFO SERVICE PUBLIC COMPANY LIMITED
บริษัท อีเอสไอ จำกัด

4 Significant items charged to operating profit

The following items have been charged to the operating profit during the interim period:

	Consolidated		Company	
	31 March 2007 Million Baht	31 March 2006 Million Baht	31 March 2007 Million Baht	31 March 2006 Million Baht
Depreciation on property and equipment (Note 9)	740	996	706	961
Amortisation of intangible assets (Note 9)				
- Computer software	117	127	114	124
- Assets under concession agreements	3,158	3,171	2,838	2,878
- Concession rights	114	114	-	-
- Positive goodwill	292	292	-	-
- Deferred charges	20	30	14	25
(Reversal) loss on obsolete spare parts for mobile phone network maintenance, net	(1)	17	(1)	15
Doubtful accounts and bad debts	363	109	366	104
Staff costs	919	996	661	759
Marketing expenses	874	541	866	443
Number of staff (persons)	8,541	7,786	4,895	4,559

5 Earnings per share

Basic earnings per share is calculated by dividing the net profit for the period attributable to shareholders by the weighted average number of paid-up ordinary shares in issue during the period.

For diluted earnings per share, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all potential dilutive ordinary shares which are the weighted average number of ordinary shares which would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares. The assumed proceeds from exercise of warrants should be considered to have been received from the issue of shares at fair value. These represent warrants where the exercise price is less than the average market price of the Company's shares during the three-month periods ended 31 March 2007 and 2006.

	Consolidated		Company	
	31 March 2007	31 March 2006	31 March 2007	31 March 2006 Restated
Basic earnings per share (Baht)				
Net profit attributable to shareholders (Million Baht)	3,984	5,290	3,399	4,517
Weighted average number of paid-up ordinary share in issue during the period (Million shares)	2,954	2,949	2,954	2,949
Basic earnings per share (Baht)	1.35	1.79	1.15	1.53
Diluted earnings per share (Baht)				
Effect of dilutive potential ordinary shares (Million shares)	-	1	-	1
Weighted average number of ordinary shares for diluted earnings per share (Million shares)	2,954	2,950	2,954	2,950
Diluted earnings per share (Baht)	1.35	1.79	1.15	1.53

6 Trade accounts receivable, net

	Consolidated		Company	
	31 March	31 December	31 March	31 December
	2007	2006	2007	2006
	Million Baht	Million Baht	Million Baht	Million Baht
Trade accounts receivable, gross				
Third parties	3,700	3,166	2,553	1,890
Related parties (Note 19)	181	147	2,529	1,883
Accrued income	2,375	2,019	2,121	1,901
	6,256	5,332	7,203	5,674
<u>Less</u> allowance for trade receivables	(713)	(434)	(672)	(385)
	5,543	4,898	6,531	5,289

Outstanding trade accounts receivable from third parties can be analysed as follows:



	Consolidated		Company	
	31 March	31 December	31 March	31 December
	2007	2006	2007	2006
	Million Baht	Million Baht	Million Baht	Million Baht
Current - 3 months	5,833	5,039	4,510	3,667
Overdue 3 - 6 months	201	94	135	85
Overdue 6 - 12 months	13	8	11	6
Overdue over 12 months	28	44	18	33
	6,075	5,185	4,674	3,791
<u>Less</u> allowance for trade receivables	(713)	(434)	(672)	(385)
	5,362	4,751	4,002	3,406

The directors are of the opinion that allowance for doubtful accounts of the Group and bank guarantees received from dealers by a subsidiary are sufficient to cover exposure to the bad debt risk.

Concentrations of credit risk with respect to trade accounts receivable are limited due to the Group's large number of customers. Due to these factors, management believes that no additional credit risk beyond amounts provided for collection losses is inherent in the Group's trade accounts receivable.

Outstanding trade accounts receivable from related parties can be analysed as follows:

	Consolidated		Company	
	31 March	31 December	31 March	31 December
	2007	2006	2007	2006
	Million Baht	Million Baht	Million Baht	Million Baht
Current - 3 months	181	147	2,244	1,636
Overdue 3 - 6 months	-	-	38	247
Overdue 6 - 12 months	-	-	247	-
	181	147	2,529	1,883

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7 Other current assets

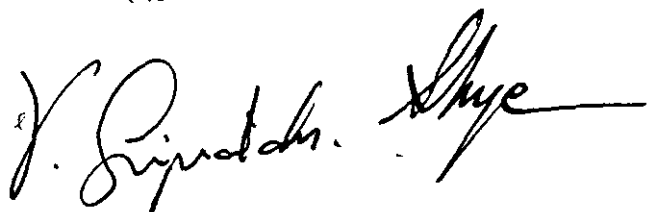
	Consolidated		Company	
	31 March 2007 Million Baht	31 December 2006 Million Baht	31 March 2007 Million Baht	31 December 2006 Million Baht
Other receivables	376	226	94	98
Prepaid expenses	1,536	1,502	1,473	1,459
Others	360	264	124	199
	<u>2,272</u>	<u>1,992</u>	<u>1,691</u>	<u>1,756</u>

8 Investments in subsidiaries

Movements in investments in subsidiaries for the three-month period ended 31 March 2007 comprise:

	Company 2007 Million Baht
Transactions during the three-month period ended 31 March	
Opening net book amount - as previously reported	27,604
Retrospective adjustment (Note 2)	(7,748)
Opening net book amount - as restated	<u>19,856</u>
Addition	-
Closing net book amount	<u>19,856</u>

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Advanced Info Service Public Company Limited
Unaudited Condensed Notes to the Interim Consolidated and Company Financial Statements
For the three-month periods ended 31 March 2007 and 2006

8 Investments in subsidiaries, net (continued)

Company - 31 March 2007 and 31 December 2006						
Subsidiaries	Nature of Business	Country of Incorporation	Nature of relationship	Paid-up capital Million Baht	Investment portion %	Cost Million Baht
						31 March 2007
Mobile from Advance Co., Ltd.	Currently ceased operation	Thailand	Shareholder	240.00	99.99	600.00
Advanced Datanetwork Communications Co., Ltd.	Service provider of voice/data communications via telephone line and broadband	Thailand	Shareholder	957.52	51.00	597.83
Datanetwork Solution Co., Ltd.	Service provider of voice/data communications via telephone line	Thailand	Shareholder	1.00	49.00	8.00
Advanced Contact Center Co., Ltd.	Service provider of call center	Thailand	Shareholder	272.00	99.99	810.96
Digital Phone Co., Ltd.	Importer and distributor of cellular phones and related accessories, cellular phone rental and service provider of digital mobile phone system in 1800 MHZ	Thailand	Shareholder	14,621.86	98.55	23,299.84
Data Line Thai Co., Ltd.	Service provider of internet	Thailand	Shareholder	15.00	65.00	2.41
Advanced Magic Card Co., Ltd.	Distributor of cash card business	Thailand	Shareholder	250.00	99.99	250.00
Advanced Mpay Co., Ltd.	Service provider of payment business via mobile phone	Thailand	Shareholder	300.00	69.99	210.00
AIN Globalcomm Co., Ltd. (Formerly AIS International Network Co., Ltd.)	Service provider of international gateway	Thailand	Shareholder	100.00	99.99	100.00
AIS Wireless Communication Network Co., Ltd.	Currently not in operation	Thailand	Shareholder	1.00	99.99	1.00
Super Broadband Network Co., Ltd. (Formerly AIS Wire Network Co., Ltd.)	Currently not in operation	Thailand	Shareholder	1.00	99.99	1.00
	Investments in subsidiaries Less allowance for impairment Investments in subsidiaries, net					25,881.04 (6,025.00) 19,856.04

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9 Capital expenditure and commitments

	Consolidated (Million Baht)				
	Property and Equipment	Asset under concession agreement	Computer software	Concession rights	Goodwill and other assets
Transactions during the three-month period ended 31 March 2007					
Opening net book amount	7,797	81,096	1,309	3,051	8,392
Additions	1,355	3,922	104	-	92
Disposals, net	(2)	-	-	-	(1)
Transfer, net	(41)	-	41	-	-
Depreciation/ amortisation charges	(740)	(3,158)	(117)	(114)	(312)
Closing net book amount	8,369	81,860	1,337	2,937	8,171
At 31 March 2007					
Cost	29,190	169,015	3,648	6,993	15,399
Less accumulated depreciation/ amortisation	(20,819)	(83,118)	(2,311)	(4,056)	(7,228)
allowance for asset impairment	(2)	(4,021)	-	-	-
allowance for written-off assets	-	(16)	-	-	-
Net book amount	8,369	81,860	1,337	2,937	8,171

Additions include Baht 4.27 million (2006: Baht 11.71 million) assets leased under finance leases (where the Group is the lessee).

	Company (Million Baht)			
	Property and Equipment	Asset under concession agreement	Computer software	Other assets
Transactions during the three-month period ended 31 March 2007				
Opening net book amount	7,022	74,763	1,234	441
Additions	1,308	3,917	93	84
Disposals, net	(2)	-	-	-
Transfer, net	(41)	-	41	-
Depreciation/ amortisation charges	(706)	(2,838)	(114)	(14)
Closing net book amount	7,581	75,842	1,254	511
At 31 March 2007				
Cost	27,640	153,015	3,552	717
Less accumulated depreciation/ amortisation	(20,057)	(73,152)	(2,298)	(206)
allowance for asset impairment	(2)	(4,021)	-	-
Net book amount	7,581	75,842	1,254	511

Additions include Baht 2.35 million (2006: Baht 1.00 million) assets leased under finance leases (where the Company is the lessee).



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9 Capital expenditure and commitments (continued)

Capital expenditure commitments with third parties

Capital expenditure contracted for at the balance sheet date but not recognised in the financial statements is as follows:

	Consolidated		Company	
	31 March 2007 Million	31 December 2006 Million	31 March 2007 Million	31 December 2006 Million
Assets under concession agreements				
Thai Baht	6,317	8,750	6,295	8,703
US Dollars	52	69	51	68
Japanese Yen	845	1,910	845	1,910
Euro	1	1	1	1
Property and equipment				
Thai Baht	1,321	546	1,304	446
US Dollars	9	9	9	9
Service maintenance agreements				
Thai Baht	1,593	1,424	1,519	1,345
US Dollars	5	7	5	7
Japanese Yen	152	179	152	179
SG Dollars	1	-	1	-

The Group has entered into lease and related service agreements for office spaces, cars, base stations, computer hardware and others for periods ranging from 1 month to 8 years with options to renew. As at 31 March 2007, the Group is committed to pay for rental and related services in respect of the agreements as follows:

	Consolidated Million Baht	Company Million Baht
Not later than 1 year	1,354	1,028
Later than 1 year but not later than 5 years	1,716	1,400
Later than 5 years	71	71

10 Trade accounts payable

	Consolidated		Company	
	31 March 2007 Million Baht	31 December 2006 Million Baht	31 March 2007 Million Baht	31 December 2006 Million Baht
Trade accounts payable				
Third parties	6,576	5,684	5,987	5,172
Related parties (Note 19)	95	76	560	490
	6,671	5,760	6,547	5,662



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11 Borrowings

	Consolidated		Company	
	31 March 2007 Million Baht	31 December 2006 Million Baht	31 March 2007 Million Baht	31 December 2006 Million Baht
Current				
Short-term loan from a financial institution	-	1,000	-	1,000
Current portion of long-term debentures, net	3,492	6,491	3,492	6,491
Current portion of finance lease liabilities	17	16	14	13
	<u>3,509</u>	<u>7,507</u>	<u>3,506</u>	<u>7,504</u>
Non-current				
Long-term borrowings	9,153	9,347	9,153	9,347
Long-term debentures, net	15,363	16,112	15,363	16,112
Finance lease liabilities	45	46	35	37
	<u>24,561</u>	<u>25,505</u>	<u>24,551</u>	<u>25,496</u>
Total borrowings	<u>28,070</u>	<u>33,012</u>	<u>28,057</u>	<u>33,000</u>

The movements in the above borrowings can be analysed as follows:

	Consolidated Million Baht	Company Million Baht
For the three-month period ended 31 March 2007		
Opening net book value	33,012	33,000
Additions	4	2
Repayments	(4,755)	(4,754)
Amortisation of bond issuing cost	3	3
Unrealised gain	(194)	(194)
Closing net book value	<u>28,070</u>	<u>28,057</u>

Long-term debentures

Under the terms and conditions of the debentures, the Company has to comply with certain restrictions and maintain certain financial ratios.

The carrying amounts and fair values of long-term debentures (gross of issue costs) as at 31 March 2007 are as follows:

	Consolidated		Company	
	Carrying amounts Million Baht	Fair values Million Baht	Carrying amounts Million Baht	Fair values Million Baht
Long-term debentures	<u>18,877</u>	<u>19,569</u>	<u>18,877</u>	<u>19,569</u>

Fair values for traded debentures have been determined based on quoted selling prices from The Thai Bond Market Association at the close of the business on the balance sheet date.

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12 Concession right payable

On 19 November 1996, Digital Phone Company Limited ("DPC"), a subsidiary, has entered into an assignment agreement with The Communications Authority of Thailand (currently named CAT Telecom Public Company Limited ("CAT")), and Total Access Communication Public Company Limited ("TAC"). Under the agreement, TAC agreed to transfer the rights and obligations under the contract to operate and to provide Cellular System Radio Telecommunication Service DIGITAL PCN (PERSONAL COMMUNICATION NETWORK) 1800 to DPC. Therefore, the rights and obligations of TAC were completely transferred to DPC according to the agreement.

On 19 November 1996, CAT has entered into an agreement with DPC whereby CAT agreed that DPC shall operate and provide Cellular System Radio Telecommunication Service DIGITAL PCN (PERSONAL COMMUNICATION NETWORK) 1800 from the effective date of this agreement to 15 September 2013.

On 7 January 1997, DPC has entered into an Agreement to Unwind the Service Provider Agreement ("the Unwind agreement") with TAC and Samart Corporation Public Company Limited ("SAMART"). Under the Unwind agreement, DPC shall pay to TAC as detailed in the agreement for the assignment of the rights and obligations to operate the PCN 1800 mobile phone system, the right to use certain facilities, equipment and roaming arrangement.

During the year 2000, Shin Corporation Public Company Limited ("Shin"), the Company's major shareholder, acquired DPC from SAMART.

During the year 2001, the Company acquired DPC from Shin group.

DPC has suspended the payment to TAC starting with an amount due on 30 September 2002 due to certain disputes between the concerned parties.

On 30 September and 28 October 2003, TAC submitted a case to the Arbitration Committee for settlement of amounts due on 30 September 2002 and 2003 comprising principal and interest according to the Unwind agreement totaling USD 35.49 million and called for payment with an additional interest charge on the overdue payment of USD 1.34 million calculated up to 28 October 2003 and with interest to be charged at 9.50% per annum on overdue payment, from 29 October 2003 until the payment is made.

On 5 July 2006, TAC has submitted an additional claim to the Arbitration Committee for the last two amounts of the rights transfer fees due on 30 September 2004 and 2005 comprising principal and interest according to the Unwind agreement totaling USD 87.38 million and call for payment with an additional interest charge on the overdue payment of USD 10.29 million calculated up to 5 July 2006 and with interest to be charged at 9.50% per annum on overdue payment, from 6 July 2006 until the payment is made.

DPC has recorded these principal and interest (excluding interest on overdue amounts) in the total concession right payable (using the effective interest rate method) of Baht 4,739 million or USD 122.87 million, using the agreed maximum foreign exchange rate of Baht 38.57 per USD 1.00 (31 December 2006: Baht 4,739 million). DPC has engaged legal advisors and submitted its case to the Arbitration Committee for settlement. The arbitration process was not completed in this period. According to the Unwind agreement, the interest rate exposure on the concession right payable is fixed at a rate of 9.50% per annum. These financial statements include full recognition of the concession right payable and interest according to the Unwind agreement (using the effective interest rate method) but have not provided accrued interest charge for overdue payment. DPC recorded the concession right payable of Baht 4,739 million according with Thai generally accepted accounting principles. However, DPC's management has not agreed on the amount to be paid as the case is still in dispute. DPC's management believes that settlement of this arbitration case should not have a material unfavorable effect on the financial statements.

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CAT TELECOM PUBLIC COMPANY LIMITED
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V. Srinata *Shye*

13 Other current liabilities

	Consolidated		Company	
	31 March 2007 Million Baht	31 December 2006 Million Baht	31 March 2007 Million Baht	31 December 2006 Million Baht
Accrued bonus	124	430	106	396
Accrued interest expense	275	405	275	405
Value added tax payable, net	1,609	169	1,551	155
Other payables	655	518	559	389
Others	787	858	538	602
	<u>3,450</u>	<u>2,380</u>	<u>3,029</u>	<u>1,947</u>

14 Financial instruments

	Consolidated		Company	
	31 March 2007 Million Baht	31 December 2006 Million Baht	31 March 2007 Million Baht	31 December 2006 Million Baht
Swap contracts receivable	9,153	9,347	9,153	9,347
Swap contracts payable	(9,485)	(9,485)	(9,485)	(9,485)
Total swap contracts payable, net	<u>(332)</u>	<u>(138)</u>	<u>(332)</u>	<u>(138)</u>

The carrying amounts and fair values of swap contracts are as follows:

	Consolidated			
	Carrying amounts		Fair values	
	31 March 2007 Million Baht	31 December 2006 Million Baht	31 March 2007 Million Baht	31 December 2006 Million Baht
Swap contracts	<u>9,485</u>	<u>9,485</u>	<u>8,669</u>	<u>9,251</u>

	Company			
	Carrying amounts		Fair values	
	31 March 2007 Million Baht	31 December 2006 Million Baht	31 March 2007 Million Baht	31 December 2006 Million Baht
Swap contracts	<u>9,485</u>	<u>9,485</u>	<u>8,669</u>	<u>9,251</u>

15 Deferred income tax

Deferred income taxes are calculated in full on temporary differences under the liability method using a principal tax rate of 30% (2006: 30%).

The movement on the deferred income tax account is as follows:

	Million Baht			
	Consolidated		Company	
	2007	2006	2007	2006
At 1 January	9,763	8,853	8,813	8,019
Statement of income charge	154	140	164	138
Reverse from equity	-	7	-	-
At 31 March	9,917	9,000	8,977	8,157

The movement in deferred tax assets and liabilities (prior to offsetting of balances within the same tax jurisdiction) during the period is as follows:

	Million Baht					
	Consolidated					
Deferred tax assets	Allowance for doubtful accounts	Allowance for obsolete inventories and sparepart	Amortisation of asset under concession agreement	Unearned income - mobile phone service	Others	Total
At 1 January 2007	122	242	8,520	1,222	47	10,153
Credit to net profit	86	1	38	30	-	155
At 31 March 2007	208	243	8,558	1,252	47	10,308

Deferred tax liabilities	Prepaid concession fee and excise tax	Accelerated tax amortisation	Others	Total
At 1 January 2007	280	79	31	390
Charges (credit) to net profit	5	(4)	-	1
At 31 March 2007	285	75	31	391



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V. Sijutaks *Shye*

15 Deferred income tax (continued)

	Million Baht					
	Company					
Deferred tax assets	Allowance for doubtful accounts	Allowance for obsolete sparepart	Amortisation of asset under concession agreement	Unearned income - mobile phone service	Others	Total
At 1 January 2007	108	173	7,580	1,222	41	9,124
Credit to net profit	89	-	50	30	-	169
At 31 March 2007	197	173	7,630	1,252	41	9,293

Deferred tax liabilities	Prepaid concession fee and excise tax	Others	Total
At 1 January 2007	280	31	311
Charges to net profit	5	-	5
At 31 March 2007	285	31	316

Deferred income tax assets and liabilities are offset when there is a legally enforceable right the income taxes relate to the same fiscal authority. The following amounts, determining after appropriate offsetting, are shown in the consolidated and the Company balance sheets:

	Million Baht			
	Consolidated		Company	
	31 March 2007	31 December 2006	31 March 2007	31 December 2006
Deferred tax assets	9,917	9,763	8,977	8,813
Deferred tax liabilities	-	-	-	-

16 Income tax

Reconciliation of income tax for the three-month periods ended 31 March is as follows:

	Million Baht			
	Consolidated		Company	
	31 March 2007	31 March 2006	31 March 2007	31 March 2006
Current tax	2,008	2,587	1,635	2,060
Deferred tax (Note 15)	(154)	(140)	(164)	(138)
	1,854	2,447	1,471	1,922


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V. Sigitakul

16 Income tax (continued)

Reconciliation of income tax expense and the results of the accounting profit multiplied by the income tax rates for the three-month periods ended 31 March is as follows:

	Million Baht			
	Consolidated		Company	
	31 March 2007	31 March 2006	31 March 2007	31 March 2006
Profit before tax	5,821	7,708	4,870	6,439
Tax calculated at a tax rate of 30% (2006: 30%)	1,746	2,312	1,461	1,932
Effect from elimination with subsidiaries	79	115	-	-
Permanent differences	29	20	10	(10)
Tax charge	1,854	2,447	1,471	1,922

Further information about deferred tax is presented in Note 15.

17 Share capital and premium on share capital

	Million shares		Million Baht		
	Authorised share capital	Issued and paid-up share capital	Ordinary shares	Share premium	Total
For the three-month period ended 31 March 2007					
Opening balance	4,997	2,954	2,954	20,978	23,932
Issue of shares	-	1	1	44	45
Closing balance	4,997	2,955	2,955	21,022	23,977

During the three-month period ended 31 March 2007, the Company registered the increase in share capital with the Ministry of Commerce for 1.05 million ordinary shares from the exercise of 0.97 million warrants, 0.31 million warrants of which were exercised during the quarter ended 31 December 2006. The capital increase results in an increase in paid-up share capital and share premium of Baht 1.05 million and Baht 44.11 million, respectively.

As at 31 March 2007, the total issued number of ordinary shares is 2,954.59 million shares (31 December 2006: 2,953.55 million shares) with a par value of Baht 1 per share (31 December 2006: Baht 1 per share). All issued shares are fully paid.



ADVANCED INFO SERVICE PUBLIC COMPANY LIMITED
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17 Share capital and premium on share capital (continued)

Warrants granted to directors and employees

The Company has granted warrants at Baht nil per unit to directors and employees. The warrants are in registered form and non-transferable. Term of warrant is not exceeding 5 years. Details of warrants are as follows:

Grant date	27/03/2002 (Grant I)	30/05/2003 (Grant II)	31/05/2004 (Grant III)	31/05/2005 (Grant IV)	31/05/2006 (Grant V)
Warrants (Million units)	14.00	8.47	9.00	9.69	10.14
Exercise price per unit	48.00	43.38	91.79	106.66	91.46
Exercise ratio	1 : 1	1 : 1	1 : 1	1 : 1	1 : 1
Eighth adjustment to exercise price per unit and ratio (effective from 30 March 2007 onwards)					
- Price	44.62	39.13	83.84	98.67	87.33
- Ratio	1 : 1.07512	1 : 1.10857	1 : 1.09477	1 : 1.08103	1 : 1.04738

Eighth adjustment to exercise price and exercise ratio of warrant grant II, grant III, grant IV and grant V

At the Board of Directors' meeting held on 23 February 2007, the Board passed a resolution to approve the eighth adjustment of the exercise price of warrants grant II, grant III, grant IV and grant V from Baht 40.35 per unit to Baht 39.13 per unit, from Baht 86.45 per unit to Baht 83.84 per unit, from Baht 101.74 per unit to Baht 98.67 per unit and from Baht 90.05 per unit to Baht 87.33 per unit, respectively. In addition, the exercise ratio was approved to be changed from 1 : 1.07512 to 1 : 1.10857 for grant II, from 1 : 1.06173 to 1 : 1.09477 for grant III, from 1 : 1.04841 to 1 : 1.08103 for grant IV and from 1 : 1.01577 to 1 : 1.04738 for grant V. The new exercise price and exercise ratio were effective from 30 March 2007 onwards.

Movements in the number of warrants outstanding are as follows:

	Directors Million units	Employees Million units	Total Million units
For the three-month period ended 31 March 2007			
Opening balance	6.88	23.52	30.40
Granted	-	-	-
Exercised	(0.41)	(1.04)	(1.45)
Closing balance	6.47	22.48	28.95

Exercised warrants

During the three-month period ended 31 March 2007, 0.41 million units and 1.04 million units were exercised by the Company's directors and employees, respectively. The exercises of 0.66 million warrants during this period, and of 0.31 million warrants during the quarter ended 31 December 2006, increased paid-up share capital and premium on share capital by Baht 1.05 million and Baht 44.11 million, respectively.

The Company registered the increase in share capital with the Ministry of Commerce from the remaining exercised warrants of 0.79 million units or 0.87 million shares on 3 April 2007. The Company received advanced payment from shareholders for the 0.87 million shares in the amount of Baht 34.25 million in the quarter ended 31 March 2007 (Note 21).

The exercise of warrants complied with the terms and conditions of the issuance of warrants which were approved by the Company's shareholders.

18 Cash flows from operating activities

Reconciliation of net profit to cash flows from operating activities for the three-month periods ended 31 March 2007 and 2006:

	Note	Consolidated		Company	
		31 March 2007	31 March 2006	31 March 2007	31 March 2006 Restated
		Million Baht	Million Baht	Million Baht	Million Baht
Net profit for the period		3,984	5,290	3,399	4,517
Adjustments for:					
Depreciation	9	740	996	706	961
Amortisation of computer software	9	117	127	114	124
Amortisation of assets under concession agreements	9	3,158	3,171	2,838	2,878
Allowance for impairment	9	-	53	-	53
Amortisation of concession right	9	114	114	-	-
Amortisation of goodwill	9	292	292	-	-
Amortisation of deferred charges	9	20	30	14	25
Amortisation of forward and swap premium		1	10	1	10
Amortisation of bond issuing cost		3	5	3	5
(Reversal) loss on write-off obsolete spare parts for mobile phone network maintenance		(1)	17	(1)	15
Loss on write-off of deferred charge		-	2	-	2
Doubtful accounts and bad debts		363	109	366	104
Loss (reversal) on obsolete inventories and diminution in value of finished goods		4	(6)	-	-
(Gain) loss on disposals of fixed assets		(6)	1	(6)	1
Unrealised loss (gain) on foreign exchange rate		18	(3)	18	(2)
Realised unearned income		(8)	(14)	-	-
Decrease in deferred tax income		(154)	(140)	(164)	(138)
Net loss attributable to minorities		(16)	(29)	-	-
Net profit before changes in operating assets and liabilities		8,629	10,025	7,288	8,555
Changes in operating assets and liabilities					
Restricted bank deposits		138	166	-	-
Trade accounts receivable		(1,033)	256	(1,632)	249
Amounts due from related parties		2	-	(12)	4
Receivables for cash card		(6)	104	-	-
Value added tax receivables - third party		(1,342)	380	(1,342)	380
Inventories		535	(243)	-	-
Sparepart inventories for mobile network maintenance		(13)	(15)	(13)	(15)
Other current assets		(282)	(1,151)	64	(746)
Other assets		(92)	(42)	(84)	(33)
Trade accounts payable		63	151	(42)	86
Amounts due to related parties		(193)	(77)	(98)	(144)
Forward and swap contracts payable		-	(16)	-	(16)
Concession right payable, accrued concession fee and excise tax		889	614	734	600
Unearned income - mobile phone service		66	(233)	100	(246)
Advance receipts from customers		(227)	84	-	-
Income tax payable		1,649	2,457	1,352	2,020
Other current liabilities		1,070	224	1,082	146
Cash flows from operating activities		9,853	12,684	7,397	10,840



SPS SERVICE PUBLIC COMPANY LIMITED
บริษัท ส.พี.เอส. เซอร์วิส จำกัด

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19 Related party transactions

Shin Corporation Public Company Limited is a major shareholder, holding 42.77% (at 31 December 2006: 42.79%) of the share capital of the Company. SingTel Strategic Investments Pte Ltd. is a shareholder, holding 19.22% (at 31 December 2006: 19.23%) of the share capital of the Company.

Transactions related to these group companies or major shareholder or directors are recognized as related parties to the Company.

During the period, the Group has entered into a number of transactions which related parties, the term of which are negotiated in the ordinary course of business and according to normal trade conditions. Consulting and management service fees are charged on a mutually agreed basis as a percentage of assets. Treasury fees, which are included in consulting and management service fees, are charged on a percentage of transaction amounts.

The Group has transactions with related parties for three-month periods ended 31 March 2007 and 2006 as follows:

a) Sales of goods and services

For the three-month periods ended	Consolidated		Company	
	31 March 2007	31 March 2006	31 March 2007	31 March 2006
	Million Baht	Million Baht	Million Baht	Million Baht
Service income				
Subsidiaries	-	-	122	106
Shin Corporation and its related parties	42	43	7	14
Related party of SingTel Strategic Investments Pte Ltd.	183	166	183	166
	<u>225</u>	<u>209</u>	<u>312</u>	<u>286</u>
Other income				
Subsidiaries	-	-	63	59
Shin Corporation and its related parties	1	1	-	1
	<u>1</u>	<u>1</u>	<u>63</u>	<u>60</u>
Sales of prepaid cards				
A subsidiary	-	-	8,757	-



ADVANCED INFO SERVICE PUBLIC COMPANY LIMITED
บริษัท แอดวานซ์ อินโฟร์ เซอร์วิส จำกัด (มหาชน)

(To

V. Siquatam. Shye

19 Related party transactions (continued)

b) Purchases of services

For the three-month periods ended	Consolidated		Company	
	31 March 2007	31 March 2006	31 March 2007	31 March 2006
	Million Baht	Million Baht	Million Baht	Million Baht
Rental and other service expenses				
Subsidiaries	-	-	1,491	1,337
Shin Corporation and its related parties	82	161	78	147
Related parties of SingTel Strategic Investments Pte Ltd.	97	80	97	80
	<u>179</u>	<u>241</u>	<u>1,666</u>	<u>1,564</u>
Advertising expense - net*				
Related parties of Shin Corporation (Advertising expense - gross**	114	93	109	87
- Consolidated 2007: 358 Million Baht 2006: 350 Million Baht				
- Company 2007: 353 Million Baht 2006: 332 Million Baht)				
	<u>114</u>	<u>93</u>	<u>109</u>	<u>87</u>

* Net balance represents fee charged on advertising production and gross margin of media work at advertising agency.

** Gross balance represents total advertising expense charged to the Group and the Company. The Group and the Company record such expense at gross in the statements of income.

Promotion expense

Subsidiaries	-	-	92	4
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Commission expense

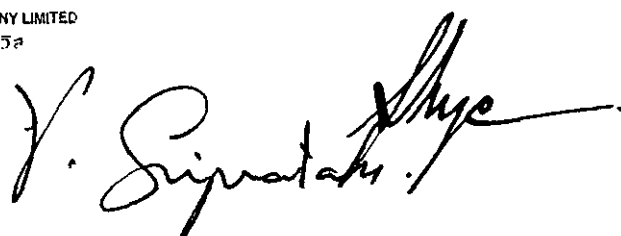
A subsidiary	-	-	355	1,482
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Consulting and management fees

Shin Corporation and its related parties	1	49	1	49
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Interest expense

A subsidiary	-	-	51	46
Director of a related party	-	1	-	1
	<u>-</u>	<u>1</u>	<u>51</u>	<u>47</u>

To


19 Related party transactions (continued)

c) Outstanding balance arising from sales/purchases of goods/services and loan to/from related parties

	Consolidated		Company	
	31 March 2007 Million Baht	31 December 2006 Million Baht	31 March 2007 Million Baht	31 December 2006 Million Baht
Trade accounts receivable				
Subsidiaries	-	-	2,363	1,746
Shin Corporation and its related parties	20	13	5	3
Related party of SingTel				
Strategic Investments Pte Ltd.	161	134	161	134
	<u>181</u>	<u>147</u>	<u>2,529</u>	<u>1,883</u>
Amounts due from related parties				
Subsidiaries	-	-	58	44
Shin Corporation and its related parties	1	3	1	2
	<u>1</u>	<u>3</u>	<u>59</u>	<u>46</u>
Short-term loans to related parties				
Subsidiaries	-	-	91	41

As at 31 March 2007, short-term loan to subsidiaries represents promissory notes, bearing interest at the rate of 6.69% per annum (2006: 6.65% per annum). Repayment term is at call.

	Consolidated		Company	
	31 March 2007 Million Baht	31 December 2006 Million Baht	31 March 2007 Million Baht	31 December 2006 Million Baht
Trade accounts payable				
Subsidiaries	-	-	484	424
Shin Corporation and its related parties	37	28	18	18
Related party of SingTel				
Strategic Investments Pte Ltd.	58	48	58	48
	<u>95</u>	<u>76</u>	<u>560</u>	<u>490</u>
Amounts due to related parties				
Subsidiaries	-	-	307	239
Shin Corporation and its related parties	308	507	298	470
Related party of SingTel				
Strategic Investments Pte Ltd.	23	16	23	16
	<u>331</u>	<u>523</u>	<u>628</u>	<u>725</u>
Short-term loan from related party				
A subsidiary	-	-	4,200	4,200

As at 31 March 2007, short-term loan from a subsidiary represents a promissory note, bearing effective interest at the rate of 4.77% per annum (2006: 5.00% per annum). Repayment term is at call.

Long-term debentures

Director of the Company and its
related party

	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
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ADVANCED INFO SERVICE PUBLIC COMPANY LIMITED
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CFO

Y. Sigitakhy Shye

19 Related party transactions (continued)

d) Commitments with related parties

As at 31 March 2007, the Group has entered into agreements with a related party under which the related party provides computer system services and repair and maintenance services for software and hardware for a twelve-month-period with option to renew. The Group is committed to pay for such services under these agreements as follows:

	Consolidated Million Baht	Company Million Baht
Payment due - within 1 year	31	16

e) Shin Corporation's warrants

Shin Corporation Public Company Limited ("SHIN"), a major shareholder, has granted its warrants at Baht nil per unit to the Company's directors. SHIN does not charge the Company for the grant of these warrants.

Certain directors of the Company are also directors of SHIN. Warrants granted to these directors (directors of both the Company and SHIN) are also included in the details below.

Grant date	Warrants (Million units)	Exercise price per unit	Exercise ratio	Adjustment to exercise price per unit and ratio (effective from 25 August 2006 onwards)	
				Price	Ratio
27 March 2002 (Grant I)	18.34	17.80	1 : 1	16.65	1:1.06942
30 May 2003 (Grant II)	12.22	13.67	1 : 1	12.78	1:1.06942
31 May 2004 (Grant III)	8.82	36.41	1 : 1	34.05	1:1.06942
31 May 2005 (Grant IV)	8.33	41.76	1 : 1	39.57	1:1.05540
31 July 2006 (Grant V)	6.99	37.68	1 : 1	36.83	1:1.02307

Movements in the number of SHIN's warrants are as follows:

	Million units
For the three-month period ended 31 March 2007	
Opening balance	24.96
Granted	-
Exercised	-
Closing balance	24.96



ADVANCED INFO SERVICE PUBLIC COMPANY LIMITED
บริษัท แอดวานซ์ อินโฟร์ เซอร์วิส จำกัด (มหาชน)

ETC

Y. Sigitab...

20 Bank guarantees

At 31 March 2007, the Group has commitments with local banks relating to letters of guarantee issued by the banks in respect of custom duties, electricity use and other transactions in the ordinary course of business amounting to approximately Baht 2,085.44 million (31 December 2006: Baht 3,582.42 million) on a consolidated basis and Baht 1,631.87 million (31 December 2006: Baht 2,810.61 million) on a Company basis.

21 Interconnection agreements

Under the Telecommunications Act and the NTC Interconnections Notification, the Company has entered into the interconnection agreements for making interconnection with the network of other operators on 30 November 2006 and 16 January 2007. However, the agreements have not been effective since the Company is still in the discussion process with TOT Public Company Limited, a concession grantor. The Company therefore has not recorded related revenue and cost arisen from the interconnection.

22 Post balance sheet events

Warrants granted to directors and employees - exercised

As mentioned in Note 17, during the three-month period ended 31 March 2007, the Company's warrants of 0.41 million units and 0.38 million units were exercised at Baht 44.62 each and Baht 39.13 each, respectively. The Company registered the increase in the share capital with the Ministry of Commerce on 3 April 2007.

In April 2007, a total of 0.09 million units of the Company's warrants were exercised at Baht 39.13 each. The Company registered the increase in the share capital with the Ministry of Commerce on 3 May 2007.

As a result of these two transactions, the total issued and paid-up share capital and premium on share capital of the Company will increase from Baht 2,954.59 million to Baht 2,955.56 million, and from Baht 21,022.68 million to Baht 21,059.71 million, respectively.

Dividend payment

At the Annual General Meeting of the Company's shareholders held on 25 April 2007, the shareholders passed a resolution to approve a declaration of dividend for 2,954.55 million shares of Baht 3.30 each, totaling Baht 9,750.00 million. The dividend will be paid to the shareholders on 10 May 2007.

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